

**MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING
HELD WEDNESDAY, MAY 17, 2017 AT 1:30 P.M. IN THE ECUA BOARD ROOM AT
9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FL**

Members present: Lois Benson, Chairman
Dale Perkins, Vice Chairman (arrived at 1:37 p.m.)
Vicki Campbell (arrived at 1:35 p.m.)
Elvin McCorvey
Larry Walker

Counsel present: Bradley S. Odom

Staff present: Stephen E. Sorrell, Executive Director
Linda Iversen, Executive Assistant to the Board
Jim Roberts, Public Information Officer

ITEM 1 – INVOCATION AND PLEDGE OF ALLEGIANCE

Prior to calling the special meeting of the Board to order, Ms. Benson provided the invocation and led the Pledge of Allegiance.

ITEM 2 – CALL TO ORDER

Chairman Benson called the special meeting of the Emerald Coast Utilities Authority Board to order at approximately 1:33 p.m.

ITEM 3 – ADOPTION OF AGENDA

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to adopt the agenda as presented. Motion carried 3-0.

ITEM 4 - CLAIMS AND PENDING LITIGATION

Mr. Odom advised that he would discuss the claims first and then would ask that the Board go into Executive Session to discuss pending litigation.

Mr. Odom discussed the claims resulting from sewer backups that occurred on February 12-13, 2017. Further, there were several claimants that were affected as a result of the sewer backup event and thus ECUA hired a third party adjuster in order to look at those claims and determine what was an appropriate measure of the losses that were sustained by various claimants. There was also a claim that was submitted by the County which ECUA handled since it did not deal with business losses.

Mr. Odom advised that State of Florida law says that liability for ECUA regarding a single event for a tortious, or negligence, in any event

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has a cap or ceiling of \$300,000. By any measure, whether ECUA goes by the claims submitted or by the adjusted losses, those losses exceed the \$300,000.

Mr. Odom stated that he would like for the Board to authorize the Executive Director to distribute \$300,000, proportional to his determination and discretion, of the losses sustained in this event.

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, for the recommendation of the Attorney and for "fair and equitable distribution".

The following individuals addressed the Board concerning the claims, requesting that the Board "do the right thing" and fully compensate the claimants for the damages incurred above and beyond the sovereign immunity limit of \$300,000.

Mr. Amir Fooladi
Pars Co., LLC
700 N. DeVilliers
Pensacola, FL 32501

Mr. Mort O'Sullivan on behalf of Carmen's Lunch Bar
316 S. Baylen Street
Pensacola, FL

Ms. Maricarman Josephs, Carmen's Lunch Bar
2000 N. Barcelona Street
Pensacola, FL 32501

Mr. Ryan Hatler on behalf of Carmen's Lunch Bar
2908 E. De Soto Street
Pensacola, FL 32503

Mr. Scott Remmington, Attorney on behalf of Studer Properties, LLP
4125 Tronjo Road
Pensacola, FL 32503

After further discussion concerning the legalities of the sovereign immunity cap of \$300,000, Mr. Perkins withdrew his motion and Mr. McCorvey withdrew his second to the motion.

Mr. Odom advised the Board that he could not recommend anything beyond the \$300,000 as Florida law precludes paying more than \$300,000 and doing so would be a violation of the law and he would not recommend such action.

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A motion was made by Dr. Walker, seconded by Mr. McCorvey, to remake the motion that was previously made for the attorney's recommendation.

Mr. Odom stated that some of the speaker's suggestion to "find a way around the law" would be bad policy. Instead, what ECUA should do is follow the law, and that is his recommendation and that the distribution of the available funds be made of those funds. If the claimants wish to pursue something further, they have that right.

At the request of the Chairman, Mr. Odom restated that the motion is to authorize the Executive Director to distribute \$300,000, proportional to his determination and discretion, of the losses sustained in this event, and in a fair and equitable fashion. The motion as restated by Mr. Odom carried 5-0.

Due to time constraints, Mr. Odom requested that the private session be delayed until the regular Board meeting scheduled for Thursday, May 25 and that it be placed on the agenda for that meeting.

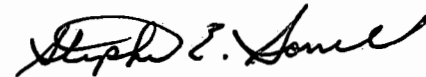
ITEM 5 - RECONVENE SPECIAL BOARD MEETING

The Board did not go into private session, thus action to reconvene was not necessary.

ITEM 6 - ADJOURNMENT

There being no further business to come before the special meeting of the Emerald Coast Utilities Authority Board, Chairman Benson declared the meeting adjourned at approximately 2:15 p.m.

Respectfully submitted,



Stephen E. Sorrell
Executive Director and
Secretary

**APPROVED BY THE ECUA CITIZENS' ADVISORY
COMMITTEE IN A MEETING ON 05/25/17.**

- (X) Without corrections/amendments.
() With corrections/amendments being: